

COUNCIL MINUTES
NOVEMBER 12, 2014

The City Council held a meeting on Wednesday, November 12, 2014, at 5:30 p.m., in the Council Chambers, 10 North Main Street, Cedar City, Utah.

MEMBERS PRESENT: Mayor Maile Wilson; Councilmembers: Ron Adams; John Black; Paul Cozzens; Don Marchant; Fred Rowley.

STAFF PRESENT: City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; City Recorder, Renon Savage; Finance Director Jason Norris; Police Chief Robert D. Allinson; Leisure Services Director Dan Rodgerson; HR Specialist Natasha Hirschi.

OTHERS PRESENT: Cal Rollins, Tom Jett, Doug Hall, Tim Crestinger, Nancy Graf, Dan Jessen, Cooper Jessen, Patrick Fletcher, Eric Lewis, Sonya Smith, DaKishia Reid, Jared Maxwell, Bradley Maxwell, Adam J. Carling, Clarence Call, Noah, Matthew Carling, Jeff Lowe.

CALL TO ORDER: Councilmember Rowley gave the opening prayer; the pledge of allegiance was led by Scout Troop 1622.

AGENDA ORDER APPROVAL: Councilmember Black moved to approve the agenda order; second by Councilmember Rowley; vote unanimous.

ADMINISTRATION AGENDA – MAYOR AND COUNCIL BUSINESS; STAFF

COMMENTS: ■Mayor – yesterday was Veteran's Day, the community was quite humbling to see people come out and honor our Veterans at the Memorial Park for flag ceremony and the other services. Also, thank you to the Park & Recreation Staff for getting the Memorial Park looking so nice. This past week we also had the Storybook Cavalcade Parade, Iron Mission Days and the City Birthday, the parade was well attended, going forward we need to do a better job at keeping children from running in front of floats etc., possibly a meet and greet after the parade for the children to meet the characters. The 153rd birthday party was held with Former Mayor Shirley speaking and performances by the Master Singers and In Jublio. We started our strategic planning process; it has been an ongoing process. On November 20th at Festival Hall at 6:00 p.m. we will hold the community forum to get input. It will shape where we go in the future. December 2nd at 6:00 p.m. another forum in the Council Chambers or at Festival Hall the community can come and give feedback. ■Rowley – The Heritage Festival Parade there was a person on the phone with a deep southern accent, he was touring last year on motorcycles and the motel manager suggested that they come to the parade, they now live in Montrose, Colorado and said they came specifically for the parade. He said had they known about Cedar before they moved they would have moved here. It was well attended and the events were very good. 300 people tried the food and one guy, Mr. Benson won all 4 categories and grand prize. ■Cozzens – The CCICWCD meeting is at 6:30 p.m. on the 20th in this room. Where are we with the light at 600 South 1100 West, I

have had some calls. Kit – we did a warrant study and there is numerical and subjective part. It didn't pass on the numbers but did on the subjective for a four-way-stop. Any device needs approval by the City Council. There were some site distance issues, they are fixing that on one of the lots; once that is fixed we will recommend that stop sign going in, but it is Council's decision. Rowley – I think it will create more stops at the next intersection. Black – do we have a cost on what a light would cost? Kit - no, but a light has a lot more standards and it would not warrant. Chief – if you are trying to control speed I don't support it. We have looked at the intersection over several years, the LDS Church had slats in the fence, and they have removed those to help with site. Rowley – have the people been told to remove their bushes? Kit – they have given us a commitment to have them down in a few weeks. Black – are you doing enforcement on 1100? Chief – not that I am aware of. Rowley – does a 4 way stop have a balanced amount of traffic from all directions? Kit – no, from the major road has to have a certain amount, and a lower amount from the minor road, it did meet the counts on 600 South, but did not on 1100 West, but they don't need to be balanced. It is about 800 cars going through the major road and about 200 from the minor leg, and that does not warrant. Rowley – how many accidents a year? Chief – I would have to look, but it was few. Kit – I have that in the warrant study, I will bring that to you.

PUBLIC COMMENTS: ■Patrick Fletcher – I am interested in where Cedar City is going with a recycling program. Rick – last week was a work meeting, this week an action meeting. The renegotiated contract with Washington County Solid Waste was on, but was postponed to next week.

CONSENT AGENDA: (1) APPROVAL OF MINUTES DATED OCTOBER 15, 22, & 29, 2014; (2) APPROVAL OF BILLS DATED OCTOBER 29, AND

NOVEMBER 10, 2014 : Rowley – I have a few questions on the bills, what are the \$4,000 of seeds paid by executive discretion? Rick – part of our commitment to the prairie dog efforts, we cleared property at the WWTP Land Application site, we received a grant to plant that area, that expenditure will be reimbursed by the grant money. Rowley – what type of plants? Rick – biologists know what that is. Mayor – what Fish and Wildlife requires. Rowley – why are some of the cell phones in parenthesis? Jason – I will check that. Natasha – if we cancel the bill during the month, and sometimes there are promotions where they give us a credit.

Councilmember Cozzens moved to approve the consent agenda as written; second by Councilmember Adams; vote unanimous.

PRESENTATION BY PERSONNEL SYSTEMS & SERVICES, INC. ON THE CLASSIFICATION/ COMPENSATION STUDY: Rick – the Council authorized us engaging the services of Personnel Systems & Services, Mike Swallow has presented to employees today and will now share that with the Council.

Mike Swallow – we had a great day with the employees; my expectation is to quickly go through the presentation and respond to any questions. The presentation is attached as Exhibit "A". Rowley – do you calculate the cost of living of the community in the study?


Mike – we can, but it is difficult to do. It turns into a wash because you have people that own and people that rent. Rowley – Washington County School District hired three teachers and they had to drop the job because they couldn't live on the salary the district was willing to pay. Mike – there are tools, but they are not as available as you would like. If you want to look at that I would suggest you hire Economic Development Research to do that portion.

Rick – we currently use a grade and step system with various positions and departments at similar grades. I don't know if other employees know enough about other grade 8 people and what they do. We need to see if a grade and step system is still valid, or look at another way.

Black – have you done studies on the administrative side asking the same questions? Mike – no, but they are a part of the questions, but not solely administration. Marchant – you could have almost guessed the outcome, maybe not the exact percentage but the ranking. Mike – it gives a comparison when your employees do this and see where they compare to the rest of the nation.

Cozzens – you have referenced different resources, are they not included? Mike – no, the ERI is not, and it is probably a few thousand dollars. Cozzens – is this worthwhile if we don't use that? Mike – yes, we can still get a good sampling and will be able to position ourselves with a group. Once I have data in hand and have sampling I can see how reliable the information is, I am competent that it works well. Black – what is the overall timeframe? Mike – 60 – 120 days. Because of the availability of the resources we don't have to spend several weeks from people that will or will not provide data. Black – will we be able to get periodic updates? Mike – yes, and it will come from Rick and Natasha.

ADJOURN: Councilmember Marchant moved to adjourn at 6:50 p.m.; second by Councilmember Rowley; vote unanimous.


Renon Savage, CMC
City Recorder



Human Resources & Management Consulting

Personnel Systems & Services, Inc.

Established 1988
Incorporated 1998
Service Area- Client Distribution

- Utah
- Idaho
- New Mexico
- Wyoming
- Colorado
- Nevada
- Alaska
- New Jersey
- Kansas
- Missouri
- Maryland
- Virginia

Pay Philosophy/Compensation Objective

Is it Cedar City's policy to pay employees *at or above the prevailing rates* paid for similar work by those public and private employers with whom you desire to compete for quality staff.....



Project Objectives

1. External Parity & Internal Equity
2. Administrative Proficiency
3. Productivity & Incentives
4. Compliance with Laws & Regulations
5. Protection of the Public Funds & Trust

Core Workplace Values

Management has the right to expect a fair day's labor for the wage provided



Employees have the right to expect a fair day's pay for the labor given



Consultant Philosophy

The appropriateness of pay is a function of:

- the market place
- available resources
- the organization's internal equity system
- and the perceived value of the individual based upon job performance which includes loyalty, dependability and competence.

The employee's perception of equity and consistency in pay practices may not result in greater productivity and efficiency while the perception of inequity and inconsistency will most always produce discontent.



Project Assumptions

1.

That Cedar City desires to achieve a reasonable level of competitiveness and maintain current standards in providing quality services by attracting and retaining the most qualified employees.

And.....



2.

In order to avoid becoming a training ground for other employers, the city views it desirable to provide career development opportunities where possible, competitive compensation and commit other resources necessary to enhance the attractiveness of the city as an employer.

The Worth of Work



When Considering the Question....



We normally examine these **3** elements

Phase 1



Worth of Work After Job Analysis



When is it legal to discriminate in pay?



Fair Labor
Standards Act
Equal Pay
Provisions

Pay
discrimination
between jobs is
legal when
based on.....



**How then do we establish a
valid link to the legal
framework?**



You let your workforce determine
"worth of work" priorities for
your value system.

Importance Rankings



In connection with consulting engagements conducted with 100+ employers, local governments, cities, counties, school districts & special districts in Alaska, Utah, Idaho, Wyoming, Colorado, New Mexico & Nevada, 8830 employees were asked to rank the importance of the four primary evaluation factors.

1	Job Knowledge.....	1.58
2	Responsibility.....	1.69
3	Difficulty.....	2.36
4	Work Environment.....	2.84

Cedar Employees

2	1.64
1	1.55
3	2.24
4	2.49



With your
employee value
preferences
identified, we
can develop a
"site validated"
job evaluation,
or pay equity,
instrument

Phase 2

Prevailing Market Value and Pricing

What you don't know
CAN Hurt You!!!
Know the Competition!



Some Basic Questions



If Cedar City is willing to pursue an "at or above average" position in the market, what are your options?

What market position do you desire?

Trend Setter
Competitive
Parity

Comparable

What market position can you afford?

Some Basic Questions

What are employee's expectations and attitudes related to the employer compensation practices?

- Fair
- Consistent
- Loyal
- Stable



8830 employees have revealed their perceptions in response to four compensation questions

Survey Question #1



Do you believe you are under paid when considering the value of your job?

72.4% said YES

A job classification Issue

Survey Question #2



Do you believe you are under paid when comparing the pay of others in the organization performing essentially the same type of work?

51.9% said YES

An internal equity & pay management issue

Survey Question #3



Do you believe you are under paid when considering the amount of work you perform?

68.4% said YES

A performance recognition issue

Survey Question #4



Do you believe you are under paid when comparing the level of pay offered to workers performing essentially the same type of work in other organizations?

71.9% said YES

A market parity issue

Phase 2 Process



1 – Identify Survey Participants

- Local Market
- Key Competitors
- Recruitment Area
- Public Employers
- Private Employers

Phase 2 Process



2 – Collect Market Data

- Current Pay Practices
- Formal Pay Ranges
- Current Actual Pay
- Tap *TechNet* Survey Database

Phase 2 Process

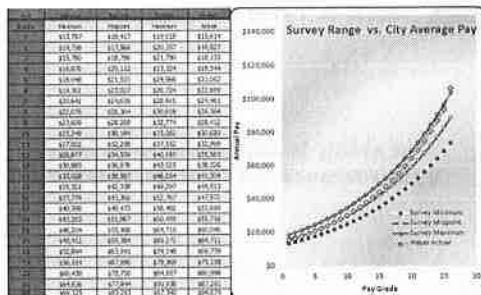


3 – Conduct Data Analysis

- Identify Cedar City Market Position
- Consider Comparable or Competitive Options
- Graphically Illustrate Comparable Results

Phase 2 Process

4 – Conduct Data Analysis



Phase 2 Process

5 – Determine Pay Plan Design & Features

- Consider Open Ranges vs. Formal Steps
- Consider Midpoint or Control Rate Practice
- Consider Range Differences for Job Classes
- Consider "No Pay Grade" Approach

Phase 2 Process

6 – Calculate Implementation Impact

- Identify Individual Employee Placement
- Calculate Individual Adjustment
- Consider Remedial Solutions

Importance Rankings

Our 8830 employees were asked to prioritize those elements which defined their worth to the organization

1	Effectiveness/Volume of Work.....	1.38
2	Efficiency/Timeliness/Quality.....	2.09
3	Longevity/Loyalty.....	2.23



When establishing
“worth of work” compensation
systems, management decisions are
influenced by the following:



Size & Type of Organization

**The ability to pay certain rates, based
upon revenues and financial resources.**



Organizational Philosophy

The willingness to pay certain rates and attitudes about ranking among other employers within the selected labor market.



Nature and Diversity of Work

The degree of specialization, work variety, and technology (job classification).



Regional Economics

The prevailing rates of pay and the rates of inflation.



Availability of Labor Supply

The competition for certain types of jobs resulting from an abundance or shortage of certain skills and abilities within the labor market.



Value of Work Contribution

The worth of a particular job to the organization (job classification results).



Collaborative Decision Making

The forced inflation of certain pay rates afforded through recognition of unions or associations or other collaborative decision making processes.



Pay Supplements

The total compensation comparability afforded through various incentives and discretionary benefits.



Reputation of the Organization

The competitiveness of pay and social recognition as a high, fair, or low paying employer.



Pay Progression Policy

- The learning curve impact associated with certain types of jobs.
- Pay range uniformity vs. diversity (pay schedule design).
- Length of service.
- Performance based increases.
- Pay for knowledge or level of competency.
- The use of control rates within pay ranges.



Bonus & Incentive Plans

- The use of "non-scheduled" recognition
- The use of "non-monetary" rewards



Ownership Protection

Which is the realistic consideration of resource limitations. The cost of pay administration being balanced with the desire to achieve other organization objectives.



How conscious of these decision environments are the employees??

I have asked 8830 employees to respond to this question:

"If you were setting policy affecting pay practices for your organization, which issues should be given the highest priority?"

The result is always interesting...



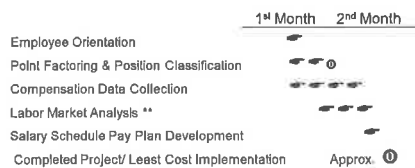
- | | | |
|---------------------------------------|---------------------------------------|-----------------------------|
| #1 Pay Supplements/Total Compensation | | <u>Cedar City Employees</u> |
| #2 Regional Economics | #1 Pay Supplements/Total Compensation | |
| #3 Ability to Pay | #3 Regional Economics | |
| #4 Organizational Philosophy | #5 Ability to Pay | |
| #5 Reputation of the Organization | #2 Organizational Philosophy | |
| #6 Labor Supply & Demand | #4 Reputation of the Organization | |
| | #6 Labor Supply & Demand | |

The Worth of Work



Timeline

TIME REQUIREMENTS Wage & Salary Market Analysis Study



The Worth of Work



**WE SHALL DETERMINE
THAT TOGETHER**